LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **DECEMBER 8**, 2009, upon the application of **PETROHAWK OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Lower Cotton Valley Zone, Reservoir A and Haynesville Zone, Reservoir A, in the Elm Grove Field, Caddo Parish, Louisiana.

- 1. To redefine the Lower Cotton Valley Zone, Reservoir A, INSOFAR AND ONLY INSOFAR as LCV RA SU79 is concerned, so as to define it as defined in Office of Conservation Order No. 361-E, effective July 16, 1996.
- 2. Except as to the redefinition noted above, to confirm and continue in full force and effect LCV RA SU79 which was created by Order No. 361-E-105, effective June 24, 2003.
- 3. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, to be designated HA RA SU107.
- 4. To redefine the Haynesville Zone, Reservoir A, INSOFAR AND ONLY INSOFAR as HA RA SU107 is concerned, as the stratigraphic equivalent of that gas and condensate bearing zone occurring between the depths of 9,650' and 11,426' (electrical log measurements) in the KCS Resources, LLC-Elm Grove Plantation No. 15 Well, located in Section 9, Township 16 North, Range 11 West.
- 5. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed unit in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 6. To designate a unit well and unit operator, as appropriate.
- 7. To provide that with respect to horizontal wells drilled to the Haynesville Zone, Reservoir A, in or to serve the proposed unit, where the horizontal lateral portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary and offset well in adjacent units will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus.
- 8. To extend to the additional unit, except to the extent inconsistent herewith, the provisions of Office of Conservation Order No. 361-L, effective July 29, 2008, as amended and supplemented by the 361-L Series of Orders, and of all applicable Statewide Orders.
- 9. To consider such other matters as may be pertinent.

The Lower Cotton Valley Zone, Reservoir A was initially defined in Order No. 361-E, effective July 16, 1996, was further defined INSOFAR AND ONLY INSOFAR as LCV RA SU79 is concerned in Order No. 361-E-105, effective June 24, 2003, and is to be redefined INSOFAR AND ONLY INSOFAR as LCV RA SU79 is concerned as provided herein.

The Haynesville Zone, Reservoir A was previously defined in Order No. 361-L, effective July 29, 2008, and is to be redefined INSOFAR AND ONLY INSOFAR as HA RA SU107 is concerned as provided herein.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana. http://dnr.louisiana.gov/conshearings

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 10/29/09;11/3/09 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.